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104TH CONGRESS }
2d Session }

SENATE

{ REPORT
104-380

IRRIGATION PROJECT CONTRACT EXTENSION ACT OF 1996

SEPTEMBER 30, 1996.—Ordered to be printed

Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, submitted the following

REPORT

[To accompany S. 1649]

The Committee on Energy and Natural Resources, to which was referred the bill (S. 1649) to extend contracts between the Bureau of Reclamation and irrigation districts in Kansas and Nebraska, and for other purposes, having considered the same, reports favorably thereon with amendments and recommends that the bill as amended do pass.

The amendments are as follows:

On page 1, lines 7 and 8, strike “construction repayment and”.

On page 2, line 1, strike “subsections (d) and” and insert “subsection”.

Beginning on page 2, strike lines 7 through 22, and redesignate the following paragraphs accordingly.

On page 4, line 1, before “and” insert “Red Willow County,”.

On page 5, line 5, strike “Osborn” and insert “Osborne”.

PURPOSE OF THE MEASURE

S. 1649, as ordered reported, would extend the contracts for eight units of the Missouri River Basin Project, which is operated as part of the Pick-Sloan Missouri Basin Program, for an additional four years beyond the date on which the contracts otherwise would expire. The units are all located in either Kansas or Nebraska.

BACKGROUND AND NEED

The eight units affected by this bill all have standard 40-year water service contracts with the Bureau of Reclamation. The contracts will expire shortly (three will expire at the end of 1996) and the legislation is designed to provide adequate time for negotiation

of new contracts. The units also have been discussing the possibility of title transfer, but that proposal is not included in this legislation.

SUMMARY OF MAJOR PROVISIONS

Section two requires the Secretary of the Interior to extend the water service contracts for eight irrigation districts in Kansas and Nebraska for an additional four years beyond their present expiration date. The units for which the contracts are extended are: the Bostwick Unit (Kansas portion); the Bostwick Unit (Nebraska portion); the Farwell Unit; the Frenchman-Cambridge Unit; the Frenchman Valley Unit; the Kirwin Unit; the Kirwin Unit; the Sargent Unit; and the Webster Unit.

LEGISLATIVE HISTORY

Senator Bob Kerrey of Nebraska introduced S. 1649 on March 28, 1996, for himself, Senator Dole, Senator Exon, and Senator Kassebaum. The Subcommittee on Forests and Public Land Management held a hearing on September 3, 1996. Because of concerns expressed at the hearing by the Bureau of Reclamation, the bill was amended to reduce the number of contracts extended from ten to eight. The Administration objected to extending the contracts of the Ainsworth and Almena Units, whose contracts expire in 2006 and 2007, respectively.

COMMITTEE RECOMMENDATIONS AND TABULATION OF VOTE

The Senate Committee on Energy and Natural Resources, in open business session on Thursday, September 12, 1996, by a unanimous voice vote of a quorum present, recommended that the Senate pass S. 1649 as described herein.

SECTION-BY-SECTION ANALYSIS

Section 1—Short title

The title of the Act is the “Irrigation Project Contract Extension Act of 1996”.

Section 2—Extension of contracts

This section requires the Secretary of the Interior to extend the water service contracts for eight irrigation districts in Kansas and Nebraska for an additional four years beyond their present expiration date. The units for which the contracts are extended and the dates on which their contracts expire are: The Bostwick Unit—Kansas portion (1996); The Bostwick Unit—Nebraska portion (1996); The Frenchman-Cambridge Unit (1996); The Frenchman Valley Unit (1997); The Farwell Unit (1998); The Sargent Unit (1998); The Kirwin Unit (1999); and the Webster Unit (2001).

COST AND REGULATORY CONSIDERATIONS

The Congressional Budget Office estimate of the costs of this measure follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 19, 1996.

Hon. FRANK H. MURKOWSKI,
Chairman, Committee on Energy and Natural Resources,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed S. 1649, the Irrigation Project Contract Extension Act of 1996, as reported by the Senate Committee on Energy and Natural Resources on September 16, 1996. CBO estimates that enacting the bill would have no impact on the Federal budget in 1997 and no significant effect in subsequent years. Because S. 1649 could affect direct spending, pay-as-you-go procedures would apply.

S. 1649 would extend water service contracts between the Secretary of the Interior and eight irrigation districts in Kansas and Nebraska for a period of four additional years after the dates on which each of the contracts would otherwise expire. The extensions would allow the Bureau of Reclamation to continue providing water to the districts while National Environmental Policy Act (NEPA) reviews are completed. These reviews are required before the bureau can negotiate new long-term contracts with the districts. Similar language allowing contract extensions was included in the Energy and Water Appropriations Act for Fiscal Year 1997, which was recently cleared by the Congress.

CBO expects that enacting the bill would not affect receipts from the affected water service contracts in fiscal year 1997 because the Bureau of Reclamation has the authority to provide a short-term (one-year) extension. Whether—or to what extent—enacting S. 1649 would affect receipts in subsequent years depends on which NEPA reviews will not be completed by the existing contract expiration dates. If NEPA reviews are completed on time, all of the contracts could be renewed pursuant to existing authority. If some are not, the federal government might be constrained in its ability to provide water to the affected irrigation districts. Thus, it is possible that enacting the bill would forestall a loss of some federal receipts from the sale of water. Since total annual receipts from all eight districts are less than \$2 million, any such effect of this legislation would be small.

S. 1649 contains no private-sector or intergovernmental mandates as defined in the Unfunded Mandates Reform Act of 1995 (Public Law 104–4), and would impose no costs on state, local, or tribal governments.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Gary Brown.

Sincerely,

JUNE E. O'NEILL, *Director.*

FEDERAL MANDATE EVALUATION

The Congressional Budget Office has determined that S. 1649 contains no private sector or intergovernmental mandates as defined in the Unfunded Mandates Reform Act of 1995 (Public Law 104–4), and would impose no costs on state, local, or tribal governments

REGULATORY IMPACT EVALUATION

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in implementing S. 1649. The bill is not a regulatory measure in the sense of imposing government-established standards or significant economic responsibilities on private individuals and businesses.

No personal information would be collected in administering the program. Therefore, there would be no impact on personal privacy.

The paperwork requirements for the Department of the Interior are not likely to be significant.

EXECUTIVE COMMUNICATIONS

A Statement of Administration Position has not been submitted as of the date this report was filed. When the SAP is available, the Chairman will request that it be printed in the Congressional Record for the advice of the Senate.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee notes that no changes in existing law are made by the bill S. 1649, as ordered reported.

